

REMARKS

The Examiner rejected claims 1-3, 5 and 6 as being anticipated by Bishop et al. (U.S. Patent No. 5,511,905). For the following reasons, Applicants respectfully disagree.

As mentioned on page 7, paragraph 16 of the present patent application, Bishop deals with **compensated** salt caverns. The claims as originally filed in the present application make it clear that they are limited to **uncompensated** salt caverns. Some of the differences between **compensated** and **uncompensated** salt caverns are pointed out on page 5, paragraph 13 of the present application as follows:

Two different conventional techniques are used in salt cavern storage-compensated and uncompensated. In a **compensated** cavern, brine or water is pumped into the bottom of the salt cavern to displace the hydrocarbon or other product out of the cavern. The product floats on top of the brine. When product is injected into the cavern, the brine is forced out. Hydrocarbons do not mix with the brine making it an ideal fluid to use in a compensated salt cavern. In an **uncompensated** storage cavern, no displacing liquid is used. ...

A good example of compensated caverns is the U.S. Strategic Petroleum Reserve in Texas and Louisiana. The U.S. Government has stored millions of barrels of crude oil in compensated salt caverns as a contingency plan in the event of war or other disruption in supply. To get the crude oil out of these compensated salt caverns, water must be pumped in. As the water is pumped into the bottom of these compensated salt caverns, the crude oil is forced out of the top. William Bishop, one of the joint inventors of the present application was the "Leach-Fill Manager" for the U.S. Strategic Petroleum Reserve. In other words, he was responsible for creating and filling the compensated salt caverns in the U.S. Strategic Petroleum Reserve.

Another example of compensated salt caverns is the prior art Bishop Patent No. 5,511,905 cited by the Examiner. Each drawing in Bishop clearly shows the brine level in the salt caverns and the drawings in the present application do not. Applicants respectfully submit that the claims as originally filed are not anticipated by Bishop and allowance is requested.

The Examiner also rejected claims 4 and 7 as being obvious over Bishop. Claims four and seven are dependent claims and are now also believed to be in condition for allowance because they depend from independent claims that are now believed to be allowable.

Applicant's request for extension of time under 37 CFR 1.136(a) as well as Applicants' petition fee are enclosed herewith and filed simultaneously with this response.

If any issue regarding the allowability of any of the pending claims in the present application could be readily resolved, or if other action could be taken to further advance this application such as an Examiner's amendment, or if the Examiner should have any questions regarding the present amendment, it is respectfully requested that the Examiner please telephone Applicant's undersigned attorney in this regard.

Respectfully submitted,

Date: Sept. 23, 2004



Lawrence E. Evans
Reg. No. 29,531
Blackwell Sanders Peper Martin LLP
720 Olive Street, 24th Floor
St. Louis, Missouri 63101
(314) 345-6000

ATTORNEYS FOR APPLICANT